OBSERVATION REPORT #23

Verizon-New Jersey (Verizon-NJ) uses different algorithms to calculate the PR-1-02 and PR-2-02 Complex Services 2 Wire Digital and 2 Wire xDSL metrics at the state and sub-state geographic areas.

Issue

All metrics calculation algorithms should be exactly the same for the state level and each sub-state geographic breakout. In June 2000, Verizon-NJ's algorithms used to calculate the PR-1-02 and PR-2-02 Complex Services 2 Wire Digital and 2 Wire xDSL metrics were different between the state level and the sub-state geographic divisions.

Technical documentation received by KPMG Consulting shows that in June 2000 Verizon-NJ should require that the inward (new lines installed) quantity be greater than zero. At the state level, KPMG Consulting verified that Verizon-NJ followed this technical documentation in June 2000. However, KPMG Consulting found that for all sub-state geographic divisions, this requirement was omitted in June 2000.

Examples of the metrics value discrepancies are listed in Table 1.

Table 1: Comparison of Retail Metric Values

Metrics	Geographic area	Using technical		Reported in the NJ June	
		documentation		2000 Carrier-to-Carrier	
		algorithm		Report	
		Performance	Sample	Performance	Sample
		value	size	value	size
PR-1-02 Complex	Suburban	9.97	268	9.7	283
2 Wire Digital					
PR-2-02 Complex	Suburban	10.44	193	10.21	203
2 Wire Digital					
PR-1-02 Complex	Hudson/Bergen	4.5	6	6.76	224
2 Wire xDSL					
PR-2-02 Complex	Hudson/Bergen	4.5	2	7.09	174
2 Wire xDSL					

Assessment

CLECs cannot rely on Carrier-to-Carrier Reports to ensure they are receiving required service levels if the metrics performance values are based on inconsistent algorithms between different geographic areas.